

Room 1558, 601 E. 12th Street, Kansas City, Missouri, or at the Office of the Federal Register, 800 North Capitol Street NW., 7th Floor, suite 700, Washington, DC.

(e) This amendment (39-9452) becomes effective on January 17, 1996.

Issued in Kansas City, Missouri, on November 28, 1995.

Dwight A. Young,

Acting Manager, Small Airplane Directorate, Aircraft Certification Service.

[FR Doc. 95-29669 Filed 12-5-95; 8:45 am]

BILLING CODE 4910-13-U

14 CFR Part 71

[Airspace Docket No. 95-ANM-13]

Amendment of Class E Airspace; Sheridan, WY; Correction

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule; correction.

SUMMARY: This action corrects an error in the airspace description of a final rule for Amendment of Class E airspace at Sheridan, Wyoming. The final rule was published in the Federal Register on September 29, 1995, Airspace Docket No. 94-ANM-13. This action adds language at the end of the description which slightly expands the airspace to encompass the full instrument approach procedure.

EFFECTIVE DATE: 0901 U.T.C., January 4, 1996.

FOR FURTHER INFORMATION CONTACT: James Riley, System Management Branch, ANM-530, Federal Aviation Administration, Docket No. 95-ANM-13, 1601 Lind Avenue SW., Renton, Washington, 98055-4056; telephone number: (206) 227-2537.

SUPPLEMENTARY INFORMATION:

History

Federal Register Document 95-24282, Airspace Docket No. 95-ANM-13, published on September 29, 1995 (60 FR 50410), amended the Class E airspace at Sheridan, Wyoming. During the chart preparation process an error was discovered in the Class E5 airspace description whereby the defined airspace does not fully encompass the approach procedure. This action corrects that error by the addition of language in the airspace description that would encompass the instrument approach procedure at Sheridan County Airport.

Correction to Final Rule

Accordingly, pursuant to the authority delegated to me, the airspace description for the Class E airspace at Sheridan, Wyoming, as published in the

Federal Register on September 29, 1995 (60 FR 50410), (Federal Register Document 95-24282; page 50411, column 1), and the description in FAA Order 7400.9C, which is incorporated by reference in 14 CFR 71.1, are corrected as follows:

§ 71.1 [Corrected]

* * * * *

ANM WY E5 Sheridan, WY [Corrected]

Sheridan County Airport, WY

(lat. 44°46'15" N, long. 106°58'43" W

Sheridan VORTAC

(lat. 44°50'32" N, long. 107°03'40" W)

That airspace extending upward from 700 feet above the surface within a 6.1-mile radius of the Sheridan County Airport; that airspace extending upward from 1,200 feet above the surface within 6.1 miles southwest and 8.7 miles northeast of the Sheridan VORTAC 138° and 318° radials extending from 16.1 miles northwest to 29.6 miles southeast of the VORTAC, and that airspace southeast of Sheridan bounded on the north by a line located 4.3 miles south of and parallel to the Sheridan VORTAC 104° radial, on the east by a 30.5-mile radius of the Sheridan VORTAC, and on the south by a line located 8.7 miles north of and parallel to the Sheridan VORTAC 138° radial, and that airspace southeast of the Sheridan County Airport, within 4.5 miles southwest of the 157° bearing from the airport, extending from the 6.1-mile radius to 17.6 miles southeast of the airport.

* * * * *

Issued in Seattle, Washington, on November 21, 1995.

Richard E. Prang,

Acting Assistant Manager, Air Traffic Division, Northwest Mountain Region.

[FR Doc. 95-29347 Filed 12-5-95; 8:45 am]

BILLING CODE 4910-13-M

SECURITIES AND EXCHANGE COMMISSION

17 CFR Part 240

[Release No. 34-36530, International Series Release No. 893, File No. S7-26-95]

RIN 3235-AG65

Exemption of the Securities of the United Mexican States Under the Securities Exchange Act of 1934 for Purposes of Trading Futures Contracts on Those Securities

AGENCY: Securities and Exchange Commission.

ACTION: Final rule.

SUMMARY: The Securities and Exchange Commission ("SEC" or "Commission") is adopting an amendment to Rule 3a12-8 under the Securities Exchange Act of 1934 that would designate debt obligations issued by the United

Mexican States ("Mexico") as "exempted securities" for the purpose of marketing and trading futures contracts on those securities in the United States. The purpose of this amendment is solely to permit futures on Mexican Government debt to be traded in the United States. This change is not intended to have any substantive effect on the operation of the Rule.

EFFECTIVE DATE: December 6, 1995.

FOR FURTHER INFORMATION CONTACT:

James T. McHale, Attorney, Office of Market Supervision, Division of Market Regulation, Securities and Exchange Commission (Mail Stop 5-1), 450 Fifth Street, N.W., Washington, D.C. 20549, at 202/942-0190.

SUPPLEMENTARY INFORMATION:

I. Introduction

Under the Commodity Exchange Act ("CEA"), it is unlawful to trade a futures contract on any individual security, unless the security in question is an exempted security (other than a municipal security) for the purposes of the Securities Act of 1933 ("Securities Act") or the Securities Exchange Act of 1934 ("Exchange Act").¹ Debt obligations of foreign governments are not exempted securities under either of these statutes. The Commission, however, has adopted Rule 3a12-8 under the Exchange Act ("Rule")² to designate debt obligations issued by certain foreign governments as exempted securities under the Exchange Act solely for the purpose of marketing and trading futures contracts on those securities in the United States. The foreign governments currently designated in the Rule are Great Britain, Canada, Japan, Australia, France, New Zealand, Austria, Denmark, Finland, the Netherlands, Switzerland, Germany, the Republic of Ireland, Italy, and the Kingdom of Spain (the "Designated Foreign Governments"). As a result of being included in the Rule, futures contracts on the debt obligations of these countries may be sold in the United States, as long as the other terms of the Rule are satisfied.

On September 11, 1995, the Commission issued a release proposing to amend Rule 3a12-8 to designate the debt obligations of Mexico as exempted securities, solely for the purpose of futures trading.³ Four commentators, the

¹ The term "exempted security" is defined in Section 3 of the Securities Act, 15 U.S.C. 77c, and Section 3(a)(12) of the Exchange Act, 15 U.S.C. 78c(a)(12).

² 17 CFR 240.3a12-8.

³ See Securities Exchange Act Release No. 36213 ("Proposing Release") (September 11, 1995), 60 FR 48078 (September 18, 1995).

Chicago Mercantile Exchange ("CME"), Euro Brokers Investment Corporation ("Euro Brokers"), Sakura Dellsheer, Inc. ("SDI"), and Centre Financial Products Limited ("Centre Financial"), submitted letters supporting the proposal.⁴

The Commission is adopting this amendment to the Rule, adding Mexico to the list of countries whose debt obligations are exempted by Rule 3a12-8. In order to qualify for the exemption, futures contracts on debt obligations of Mexico would have to meet all the other requirements of the Rule.

II. Background

Rule 3a12-8 was adopted in 1984⁵ pursuant to the exemptive authority in Section 3(a)(12) of the Exchange Act in order to provide limited relief from the CEA's prohibition on the trading of futures overlying individual securities.⁶ As originally adopted, the Rule provided that debt obligations of the United Kingdom and Canada would be deemed to be exempted securities, solely for the purpose of permitting the offer, sale, and confirmation of "qualifying foreign futures contracts" on such securities, so long as the securities in question were neither registered under the Securities Act nor the subject of any American depositary receipt so registered. A futures contract on such a debt obligation is deemed under the Rule to be a "qualifying foreign futures contract" if delivery under the contract is settled outside the United States and is traded on a board of trade.⁷

⁴ See Letter from William J. Brodsky, President and Chief Executive Officer, CME to Jonathan G. Katz, Secretary, Commission, dated October 18, 1995; letter from Donald R.A. Marshall, President, Euro Brokers to Jonathan G. Katz, Secretary, Commission, dated October 18, 1995; letter from Leo Melamed, Chairman and Chief Executive Officer, SDI to Jonathan G. Katz, Secretary, Commission, dated October 18, 1995; and letter from Richard L. Sandor, Ph.D., Chairman and Chief Executive Officer, Centre Financial to Jonathan G. Katz, Secretary, Commission, dated October 19, 1995.

⁵ Securities Exchange Act Release Nos. 20708 ("Original Adopting Release") (March 2, 1984), 49 FR 8595 (March 8, 1984) and 19811 ("Original Proposing Release") (May 25, 1983), 48 FR 24725 (June 2, 1983).

⁶ In enacting the Futures Trading Act of 1982, Congress expressed its understanding that neither the SEC nor the Commodity Futures Trading Commission ("CFTC") had intended to bar the sale of futures contracts on debt obligations of the United Kingdom of Great Britain and Northern Ireland ("United Kingdom") to U.S. persons, and its expectation that administrative action would be taken to allow the sale of such futures contracts in the United States. See Original Proposing Release, *supra* note 5, 48 FR at 24725 [citing 128 Cong. Rec. H7492 (daily ed. September 23, 1982) (statements of Representatives Daschle and Wirth)].

⁷ As originally adopted, the Rule required that the board of trade be located in the country that issued the underlying securities. This requirement was eliminated in 1987. See Securities Exchange Act

The conditions imposed by the Rule were intended to facilitate the trading of futures contracts on foreign government securities in the United States while requiring offerings of foreign government securities to comply with the federal securities laws. Accordingly, the conditions set forth in the Rule were designed to ensure that, absent registration, a domestic market in foreign government securities would not develop, and that markets for futures on these instruments would not be used to avoid the securities law registration requirements.

Subsequently, the Commission amended the Rule to include the debt securities issued by Japan, Australia, France, New Zealand, Austria, Denmark, Finland, the Netherlands, Switzerland, Germany, Ireland, Italy, and Spain.⁸

The CME has informed the Commission that U.S. citizens may be interested in futures products based on the debt obligations of Mexico, and has requested that Rule 3a12-8 be amended to facilitate such trading.⁹ The CME has represented that it intends to develop a contract market in Mexican Certificados de la Tesoreria de la Federacion ("Cetes"), which are short-term Mexican government securities, and in Mexican Brady bonds, a class of longer term sovereign Mexican debt issues.¹⁰

Release No. 24209 (March 12, 1987), 52 FR 8875 (March 20, 1987).

⁸ As originally adopted, the Rule applied only to British and Canadian government debt securities. See Original Adopting Release, *supra* note 5. In 1986, the Rule was amended to include Japanese government debt securities. See Securities Exchange Act Release No. 23423 (July 11, 1986), 51 FR 25996 (July 18, 1986). In 1987, the Rule was amended to include debt securities issued by Australia, France and New Zealand. See Securities Exchange Act Release No. 25072 (October 29, 1987), 52 FR 42277 (November 4, 1987). In 1988, the Rule was amended to include debt securities issued by Austria, Denmark, Finland, the Netherlands, Switzerland, and West Germany. See Securities Exchange Act Release No. 26217 (October 26, 1988), 53 FR 43860 (October 31, 1988). In 1992 the Rule was again amended to (1) include debt securities offered by the Republic of Ireland and Italy, (2) change the country designation of "West Germany" to the "Federal Republic of Germany," and (3) replace all references to the informal names of the countries listed in the Rule with references to their official names. See Securities Exchange Act Release No. 30166 (January 6, 1992), 57 FR 1375 (January 14, 1992). Finally, the Rule was amended to include debt securities issued by the Kingdom of Spain. See Securities Exchange Act Release No. 34908 (October 27, 1994), 59 FR 54812 (November 2, 1994).

⁹ See Letter from William J. Brodsky, President and Chief Executive Officer, CME, to Arthur Levitt, Jr., Chairman, Commission, dated May 3, 1995.

¹⁰ The marketing and trading of foreign futures contracts is subject to regulation by the CFTC. In particular, Section 4b of the CEA authorizes the CFTC to regulate the offer and sale of foreign futures contracts to U.S. residents, and Rule 9 (17 CFR 30.9), promulgated under Section 2(a)(1)(A) of the CEA, is intended to prohibit fraud in connection

Mexican Brady bonds were issued pursuant to the Brady plan, which allows developing countries to restructure their commercial bank debt by issuing long-term dollar denominated bonds.¹¹ The Commission understands that Mexican Brady bonds are currently traded primarily in the over-the-counter market in the United States.

The Commission is amending Rule 3a12-8 to add Mexico to the list of countries whose debt obligations are deemed to be "exempted securities" under the terms of the Rule. Under this amendment, the existing conditions set forth in the Rule (*i.e.*, that the underlying securities not be registered in the United States,¹² that the futures contracts require delivery outside the United States,¹³ and that the contracts be traded on a board of trade) would continue to apply.

III. Discussion

A. Comment Letters

As noted above, the Commission received four comment letters, all in support of the proposal.¹⁴ The CME additionally recommended that the Commission eliminate its practice of granting exemptions under the Rule on

with the offer and sale to U.S. persons of futures contracts executed on foreign exchanges. Additional rules promulgated under 2(a)(1)(A) of the CEA govern the domestic offer and sale of futures and options contracts traded on foreign boards of trade. These rules require, among other things, that the domestic offer and sale of foreign futures be effected through the CFTC registrants or through entities subject to a foreign regulatory framework comparable to that governing domestic futures trading. See 17 CFR 30.3, 30.4, and 30.5 (1991).

¹¹ There are several types of Brady bonds, but "Par Bradys" and "Discount Bradys" represent the great majority of issues in the Brady bond market. In general, both Par Bradys and Discount Bradys are secured as to principal at maturity by U.S. Treasury zero-coupon bonds. Additionally, usually 12 to 18 months of interest payments are also secured in the form of a cash collateral account, which is maintained to pay interest in the event that the sovereign debtor misses an interest payment.

¹² The Commission notes that neither Mexican Cetes nor Mexican Brady bonds are currently registered in the United States. The Commission is aware, however, that certain Mexican sovereign debt is registered in the United States and that the trading of futures on these debt issues would not be exempted under Rule 3a12-8 from the CEA's prohibition on the trading of futures overlying individual securities that are not exempted securities.

¹³ The CME's proposed futures contracts will be cash-settled (*i.e.*, settlement of the futures contracts will not entail delivery of the underlying securities). The Commission has recognized that a cash-settled futures contract is consistent with the requirement of the Rule that delivery must be made outside the United States. See Securities Exchange Act Release No. 25072 (October 29, 1987), 52 FR 42277 (November 4, 1987).

¹⁴ See *supra* note 4.

a country-by-country basis.¹⁵ In support of adding Mexico to the list of Designated Foreign Governments in the Rule, the CME restated its belief that futures on Mexican sovereign debt would serve a valuable economic purpose and would benefit both U.S. investors and the Mexican economy. The CME asserted that Mexican Brady bonds are actively traded in the over-the-counter market in the United States, and that dealers and investors in Mexican Brady bonds could use the CME's proposed futures contracts to hedge the price risk in holding the underlying bonds.

Euro Brokers noted that while the underlying cash market for emerging market debt securities, including Mexico, has experienced considerable growth, there does not exist a proper hedging vehicle for positions in emerging market debt. According to Euro Brokers, this lack of an effective hedging tool limits the growth, liquidity, and stability of the market. If the CME is permitted to market and trade futures contracts on Mexican sovereign debt, Euro Brokers asserted, traders and investors will have the ability to hedge their exposure, thus generating depth, liquidity, and stability for the emerging markets as a whole both in the cash and futures markets.

SDI additionally suggested that the Commission be "flexible" in allowing the debt obligations of additional foreign governments to qualify for such exempt status.

Finally, according to Centre Financial, the fact that Mexico's debt is not rated in one of the two highest rating categories by at least two Nationally Recognized Statistical Rating Organizations ("NRSROs") is immaterial when considering the obligations as the basis of a futures or options contract. Moreover, Centre Financial suggested that the Commission consider an exemption for all sovereign debt, thereby allowing individual exchanges to determine whether a futures or options contract on a country's debt is appropriate.

It should be noted that in the Proposing Release, the Commission sought comment on: the appropriateness of designating Mexican sovereign debt as exempted securities even though its long-term debt is not rated in one of the

two highest rating categories by at least two NRSROs (a factor the Commission has traditionally looked to as an indication of the liquidity of the underlying market); whether debt ratings should continue to be used in evaluating proposals to add countries to the Rule, and what alternative criteria, such as volume and depth of trading or amount of outstanding debt, could be used; whether the proposed amendment is appropriate in light of the fact that Mexico would be the first emerging market country to be included as a Designated Foreign Government; whether the CME's proposal to develop a contract market in Mexican Brady bonds raises any unique issues; and the general application and operation of the Rule given the increased globalization of the securities markets since the Rule was adopted. The commenters did not address all of these issues, but instead focused on the economic benefits of including Mexico as a Designated Foreign Government and adopting a liberal approach for further amendments to the Rule to include the sovereign debt of other countries.

B. Analysis

For the reasons discussed below, the Commission finds that it is consistent with the public interest and the protection of investors that Rule 3a12-8 be amended to include the sovereign debt obligations of Mexico. The Commission believes that the trading of futures on Mexican sovereign debt could provide U.S. investors and dealers with a vehicle for hedging the risks involved in holding Mexican debt instruments and that the sovereign debt of Mexico should be subject to the same regulatory treatment under the Rule as that of the Designated Foreign Governments for purposes of trading futures contracts on such debt obligations by U.S. persons.

In determining whether to amend the Rule to add new countries, the Commission has considered whether there is an active and liquid secondary trading market in the particular sovereign debt. The market for Mexican sovereign debt instruments appears to be active and liquid. As of March 31, 1995, there was approximately US\$87.5 billion face amount Mexican government debt issued and outstanding of various classes and maturities.¹⁶ According to the CME petition, the cash market for Cetes evidences active trading. For example, between 1993 and 1994 the monthly trading volume (in

principal amount), according to the CME, of Cetes ranged from a low of approximately US\$18.5 billion to a high of US\$1.1 trillion. Moreover, according to a recent survey of members of the Emerging Markets Traders Association ("EMTA"), Mexican debt instruments are one of the most actively traded of all emerging markets instruments. According to the survey, the total annual trading volume for Mexican Brady bonds amounted to approximately US\$282.3 billion.¹⁷ As is the case for all sovereign issuers, there are less actively traded Mexican sovereign debt issues, but the Commission believes that as a whole the market for Mexican sovereign debt is sufficiently liquid and deep for purposes of Rule 3a12-8.

In amending the Rule to include the debt obligations of Mexico, however, the Commission has considered additional factors relating to Mexican government debt. In connection with some of the prior amendments to the Rule, the Commission noted that the long-term sovereign debt of those countries was rated in one of the two highest rating categories by at least two NRSROs.¹⁸ This factor, as previously stated by the Commission, could be viewed as indirect evidence of an active and liquid secondary trading market. Mexico's long-term sovereign debt obligations are not rated in one of the two highest rating categories.¹⁹

Although the Commission in 1987 proposed to incorporate a rating standard specifically exempting securities issued by any country with outstanding long-term sovereign debt rated in one of the two highest rating categories by at least two NRSROs,²⁰ it ultimately declined to adopt such a rule.²¹ At the time of the 1987 Rule

¹⁷ The survey, which was responded to by 80 out of 333 members of the EMTA, was prepared for the EMTA by Price Waterhouse LLP. See 1994 Debt Trading Volume Survey, Emerging Markets Traders Association (May 1, 1995).

¹⁸ See Securities Exchange Act Release No. 26217 (October 26, 1988), 53 FR 43860 (October 31, 1988) (Austria, Denmark, Finland, the Netherlands, Switzerland, and [West] Germany); Securities Exchange Act Release No. 30166 (January 6, 1992), 57 FR 1375 (Republic of Ireland and Italy); Securities Exchange Act Release No. 34908 (October 27, 1994), 59 FR 54812 (November 2, 1994) (Kingdom of Spain).

¹⁹ As of June, 1995, Standard and Poor's Corp. ("S&P") rated Mexico's long-term foreign currency debt BB and its long-term local currency debt BBB+. As of the same date, Mexico's Bonos de Desarrollo (Bonds) were rated Baa3 by Moody's Investors Service.

²⁰ See Securities Exchange Act Release No. 24428 (May 5, 1987), 52 FR 18237 (May 14, 1987).

²¹ See Securities Exchange Act Release No. 25072 (October 29, 1987), 52 FR 42277 (November 4, 1987).

¹⁵ Instead of the current country-by-country analysis, the CME suggested that the Commission's approach should be to permit futures trading on any country's sovereign debt, provided that the futures contracts do not allow delivery of unregistered foreign government securities in the United States. See CME comment letter, *supra* note 4. This approach would require an amendment to Rule 3a12-8 that has not been proposed at this time.

¹⁶ See Exhibit D to Form 18-K, Annual Report for Foreign Governments and Political Subdivisions Thereof, filed by Mexico on June 30, 1995.

proposal, the Commission expressed concerns that in the absence of such a requirement, the Rule might be used as a subterfuge to market or trade unregistered sovereign foreign debt through futures trading. The Commission, however, indicated that it did not intend to preclude futures trading on foreign debt that did not meet this ratings requirement and indeed subsequently sought comment on the feasibility of other factors for consideration, such as volume and depth of trading in a sovereign issuer's debt.

As discussed above, the Commission has independently determined that it is appropriate to exempt the sovereign debt of Mexico under the Rule because of the overall depth and liquidity of the existing cash market for Mexican sovereign debt. The Commission does not believe that either Mexico's status as an emerging market country with potentially more volatile debt prices, or its issuance of Brady bonds changes this conclusion.

In the Proposing Release the Commission solicited comment on whether there are alternative approaches to the country-by-country designation process for adding countries to the Rule. The Commission intends to consider this issue further, but does not believe it should delay the inclusion of Mexico in the list of Designated Foreign Governments pending action on a more generic approach. Nevertheless, the Commission continues to welcome suggestions on an objective means of including countries within Rule 3a12-8 that are consistent with the Rule's overall objectives.

IV. Regulatory Flexibility Act Consideration

Chairman Levitt has certified in connection with the Proposing Release that this amendment, if adopted, would not have a significant economic impact on a substantial number of small entities. The Commission received no comments on this certification.

V. Effects on Competition and Other Findings

Section 23(a)(2) of the Exchange Act²² requires the Commission, in adopting rules under the Exchange Act, to consider the competitive effects of such rules, if any, and to balance any impact with the regulatory benefits gained in terms of furthering the purposes of the Exchange Act. The Commission has considered the amendment to the Rule in light of the standards cited in section 23(a)(2) and believes that adoption of

the amendment will not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Exchange Act. As stated above, the amendment is designed to assure the lawful availability in this country of Mexican government bond futures that otherwise would not be permitted to be marketed under the terms of the CEA. The amendment thus serves to expand the range of financial products available in the United States and enhances competition in financial markets. Insofar as the Rule contains limitations, they are designed to promote the purposes of the Exchange Act by ensuring that futures trading on Mexican government securities is consistent with the goals and purposes of the Federal securities laws by minimizing the impact of the Rule on securities trading and distribution in the United States.

Because the amendment to the rule is exemptive in nature, the Commission has determined to make the foregoing action effective immediately upon publication in the Federal Register.²³

VI. Statutory Basis

The amendment to rule 3a12-8 is being adopted pursuant to 15 U.S.C. 78a *et seq.*, particularly sections 3(a)(12) and 23(a), 15 U.S.C. 78c(a)(12) and 78w(a).

List of Subjects in 17 CFR Part 240

Reporting and recordkeeping requirements, Securities.

VII. Text of the Adopted Amendment

For the reasons set forth above, the Commission is amending part 240 of chapter II, title 17 of the Code of Federal Regulations as follows:

PART 240—GENERAL RULES AND REGULATIONS, SECURITIES EXCHANGE ACT OF 1934

1. The authority citation for part 240 continues to read in part as follows:

Authority: 15 U.S.C. 77c, 77d, 77g, 77j, 77s, 77eee, 77ggg, 77nnn, 77sss, 77ttt, 78c, 78d, 78i, 78j, 78l, 78m, 78n, 78o, 78p, 78q, 78s, 78w, 78x, 78ll(d), 79q, 79t, 80a-20, 80a-23, 80a-29, 80a-37, 80b-3, 80b-4 and 80b-11, unless otherwise noted.

* * * * *

2. § 240.3a12-8 is amended by removing the word "or" at the end of paragraph (a)(1)(xiv), removing the "period" at the end of paragraph (a)(1)(xv) and adding "; or" in its place, and adding paragraph (a)(1)(xvi) to read as follows:

§ 240.3a12-8 Exemption for designated foreign government securities for purposes of futures trading.

(a) * * *

(1) * * *

(xvi) the United Mexican States.

* * * * *

By the Commission.

Dated: November 30, 1995.

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 95-29618 Filed 12-5-95; 8:45 am]

BILLING CODE 8010-01-U

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

18 CFR Part 375

[Docket No. RM96-3-000; Order No. 585]

Delegation of Authority to the Secretary, the Director of the Office of Electric Power Regulation and the General Counsel

Issued: November 30, 1995.

AGENCY: Federal Energy Regulatory Commission, DOE.

ACTION: Final rule.

SUMMARY: The Federal Energy Regulatory Commission is revising its regulations to expand delegations to the staff in the following areas: The Secretary would be authorized to toll the time for action on requests for rehearings and issue notices in compliance with section 206(b) of the Federal Power Act, as amended by the Regulatory Fairness Act; the Director of the Office of Electric Power Regulation would be authorized to take appropriate action on uncontested interim electric rate motions that would result in lower rates, pending Commission action on settlement agreements; and the General Counsel would be authorized to grant uncontested applications for exempt wholesale generator status that do not present unusual or interpretation issues and to act on uncontested motions to withdraw EWG applications. Because of increased workload, the Commission is taking these actions in the interest of administrative efficiency.

EFFECTIVE DATE: This final rule is effective January 5, 1996.

ADDRESSES: 888 First Street NE., Washington, DC 20426.

FOR FURTHER INFORMATION CONTACT: Kasha Ciaglo, Office of the General Counsel, Federal Energy Regulatory Commission, 888 First Street NE., Washington DC 20426, (202) 208-2165.

²² 15 U.S.C. 78w(a)(2).

²³ 15 U.S.C. 553(d).